

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 6898

BILL NUMBER: SB 279

DATE PREPARED: Mar 3, 1999

BILL AMENDED: Mar 1, 1999

SUBJECT: Uninsured drivers.

FISCAL ANALYST: Susan Preble

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**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State & Local

Summary of Legislation: (Amended) This bill requires the operator of a motor vehicle to provide proof of financial responsibility upon the demand of a police officer. It provides that if the operator is unable to prove financial responsibility upon demand, the police officer must impound the motor vehicle and send the license plate to the court having jurisdiction. It requires a court to suspend the driving license, vehicle registration, and license plate of an individual who is: (1) convicted of a traffic offense that requires a court appearance; and (2) unable to show proof that financial responsibility was in effect at the time of the offense. It requires the suspension of the driving license, vehicle registration, and license plate of an individual who commits certain offenses related to the failure to maintain financial responsibility twice in a three year period.

Effective Date: July 1, 1999.

Explanation of State Expenditures:

Explanation of State Revenues: (Revised) This bill provides that a driver who does not show proof of financial responsibility upon demand by a law enforcement officer commits a Class C infraction. The maximum judgment for a Class C infraction is \$500 which is deposited in the state General Fund. If court actions are filed and a judgment is entered, a court fee of \$70 would be assessed. 70% of the court fee would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court.

Explanation of Local Expenditures: (Revised) Local expenditures will increase if law enforcement agencies are required to pay to impound motor vehicles and send license plates to courts as a result of a driver's inability to provide evidence of financial responsibility upon demand.

Explanation of Local Revenues: (Revised) This bill provides that a driver who does not show proof of financial responsibility upon demand by a law enforcement officer commits a Class C infraction. If court actions are filed and a judgment is entered, a court fee of \$70 would be assessed. If additional court actions

are filed and a judgment is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$70 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. (2) A \$3 fee would be assessed, and if collected would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed, and if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

State Agencies Affected:

Local Agencies Affected: Courts with jurisdiction of Class C infraction charges; local law enforcement agencies.

Information Sources: IC 33-19-7 (concerning civil filing fees and their distribution).